GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:535
ANSWERED ON:28.02.2000
DETERIORATING CONDITION OF POWER GRID CORPORATION
SURESH RAMRAO JADHAV (PATIL)

Will the Minister of POWER be pleased to state:

(a) whether the condition of Power Grid Corporation is deteriorating due to non-payment of transmission tax by some of the north-eastern states as a result of which the establishment of National Grid and the implementation of several important transmission projects could be obstructed;

(b) if so, the reaction of the Government thereto; and

(c) the steps taken/proposed to be taken by the Government to remedy the situation?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRIMATI JAYAWANTI MEHTA)

(a) : Due to weak financial position of the constituent states of the North Eastern region, the transmission tariff for these states has been pegged at 35 paise per kwh which is much less than the transmission tariff to be charged by the POWERGRID as per the norms applicable in the other regions. The states in transmission tariff worked out at the rate of 35 paise per unit. This has resulted in substantial loss of revenue to POWERGRID.

(b) & (c) Looking into the financial health of the states in NER, Government of India is considering a proposal tocompensate Powergrid suitably against these revenue losses.